

Madam Speaker, American workers deserve better than this. We owe them more than the empty promise that tried and failed tactics will somehow save jobs.

Rather than go the French and German way of stagnation and stifling regulation, I say let us create good jobs right here the American way, by continuing to innovate and grow and produce new opportunities for workers. That has been our recipe for global economic leadership for years; and if we continue to allow Americans to freely invest at home and abroad, we will continue to create more good jobs right here in the United States of America.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

ANOTHER EPISODE IN THE OUTSOURCING OF AMERICAN JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, I was so interested to hear the prior gentleman's remarks from California about jobs. He has been one of the primary Members of this institution that has helped to outsource our jobs all over the world, China, India, Mexico; so I am sorry he has left the floor.

But I guess I could say, here we go again, another episode in the outsourcing of American jobs. And this one is especially outrageous, because it involves our U.S. taxpayer dollars.

The Richmond Times Dispatch in Virginia reported yesterday that the big bank, J.P. Morgan Chase and Company, which administers the Bush administration food stamp program for Virginia and 37 other States, has been exporting administrative jobs since 2001. Why would the Bush administration select a big bank anyway to administer the U.S. food stamp program, rather than use not-for-profit institutions like credit unions and other financial intermediaries located across this country?

Today now, the Associated Press reports that food stamp beneficiaries in 43 States already get help with problems such as replacing lost cards by calling toll-free numbers, and these toll-free numbers connect them to companies that have contracts with State governments, and those companies have outsourced the calls to foreign countries.

The U.S. Department of Agriculture says it would consider permitting a State government to hire private contractors to sign up people for food stamps, even though the Federal law says U.S. Government workers should handle the job.

Madam Speaker, this policy by our U.S. Department of Agriculture is not only inappropriate; it is outrageous, particularly when you look at growing food stamp rolls because of unemployment in this country and this administration not extending unemployment benefits to people.

It is also outrageous because of the growing ranks of the unemployed, 9 million unemployed workers in this country. Just in Ohio, 347,000 people without work, and many more having quit looking, so they are not even counted anymore. Why not put unemployed Americans at work at these call centers inside our country, instead of shipping out these service calls, outsourcing the work to other countries like India?

Something is haywire when we allow multinational corporations to take our U.S. taxpayer dollars and give them in the form of government contracts to companies that then outsource the work to foreign workers and foreign countries. It is absolutely indefensible, when so many of our taxpayers cannot find jobs.

It is ironic. American workers who lose their jobs to unfair trade practices might have to talk to somebody overseas in order to get their food stamps.

Think about this one: when we asked the Under Secretary, Mr. Bost, yesterday before our committee whether he would consider working with the Department of Labor to go into these pockets of unemployed people in our country and let them do the call center jobs, he never attempted it, and it did not really seem to appeal to him.

This issue came up during our agriculture meeting yesterday, and as the ranking member I asked USDA officials, since they were not willing to hire Americans, would they be willing to support a ban on outsourcing these U.S. jobs to call centers, primarily in India. The USDA, that we pay for, we pay for their salaries, U.S. taxpayers, we pay the salary of the U.S. Secretary of Agriculture, of the gentleman who was testifying before us, they said, no, they would not ban sending the work overseas.

Now, the Republican practice of outsourcing American jobs cannot end one moment too soon.

Madam Speaker, the two articles I wish to place in the RECORD that document what I am saying is an article in the Associated Press by Ira Dreyfuss, and the headline reads: "Private Contractors May Handle Food Stamps," and also an article that was in the Richmond Times-Dispatch. The headline reads: "Food Stamp Calls Routed to India. A Firm That Runs Part of the Virginia Program Outsourced Call Center to India."

Madam Speaker, it would be nice to have some attention in one of the largest programs that this government funds, over \$50 billion a year in various food programs, about two-thirds of that in the food stamp program, and try to help some of our own people earn

some money in this country so they would not have to be on food stamps and they could have good jobs right here in the good old USA.

[From the Times-Dispatch, Mar. 23, 2004]

FOOD-STAMP CALLS ROUTED TO INDIA

FIRM THAT RUNS PART OF THE VIRGINIA

PROGRAM OUTSOURCED CALL CENTER

(By Tyler Whitley)

When food-stamp recipients in Virginia have a question about the program, they get answers from someone in India.

J.P. Morgan Chase & Co., a giant bank-holding company that administers a key part of the program for the social-services departments in Virginia and 37 other states, has outsourced its call center to the Asian nation.

Maurice Jones, commissioner of the Virginia Department of Social Services, estimates that six or seven jobs could be created in Virginia to handle the 10,000 calls a month that are now made to India by Virginia's 195,000 food-stamp recipients.

He said the Warner administration inherited the outsourcing from the Gilmore administration, which signed a contract with another banking giant, Citicorp, in February 2001.

Louis Rossiter, secretary of health and human resources under then-Gov. Jim Gilmore, said the jobs were not being sent abroad when the contract was signed.

Rossiter said Citicorp had a near monopoly on the business at the time the contract was signed.

The decision to send the jobs abroad was not the state's but the contractor's, Citicorp. It subsequently sold the food-stamp electronic-transfer program to J.P. Morgan, Jones said.

Jones said the calls have been going overseas since October 2001. A disgruntled local official complained about the situation recently to The Times-Dispatch.

When the state's five-year contract expires in 2006, Jones said yesterday, he hopes the 38 states can put pressure on the bank to return the call centers to the United States—preferably to Virginia.

Outsourcing, largely ignored until recently, has become a major political target in the 2004 presidential campaign. Although it is not a new phenomenon, Democrats are blaming the shipment of jobs to lower-wage countries abroad for the slow pace of job creation during the economic recovery.

Trevelocity, which provides airfares and travel service over the Internet, recently announced it is closing a call center with about 250 jobs in Diskenson County in Southwest Virginia later this year and sending most of the business to India. It estimated it could save \$10 million from the move.

Richmond-based Circuit City Stores Inc. also has begun outsourcing jobs to India. Its customer-service toll-free line now goes to India.

According to the American Legislative Issue Campaign Exchange, a Wisconsin-based organization, 22 states are considering legislation to prevent job loss because of outsourcing by requiring state and local government contracts to purchase only American goods and services.

The U.S. Senate has voted to do the same on federal contracts. "I'm a firm believer that you ought to take care of your own people first," said Del. Clarence E. "Bud" Phillips, a Democrat who represents Dickenson County.

Phillips said he will introduce legislation next year to bar the state from entering into contracts that ship jobs abroad.

If the jobs are returned to the United States, bank officers have told him that Virginia will have to pay a higher fee for the services, Jones said.